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REVIEW OF SOCIAL AND ECONOMIC CONDITIONS

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Changes in the Well-being of Alaska Natives Since ANCSA

INTRODUCTION

Congressional passage of the Alaska Native Claims Settlement Act (ANCSA) in 1971 climaxed a century of Native effort to gain title to lands they had long claimed as their own. Passage of the act also spawned the hope and expectations among many that ANCSA would establish for the Natives of Alaska a permanent basis for prosperity through a $962.5 million cash settlement; title to 40 million acres of lands; and establishment of regional and village corporations to distribute and manage the money, lands, and resources.[1]

However, during the last 13 years, several other important developments have also occurred that have been intended (or have inadvertently tended) to affect the Natives' standard of living. These have included:

- Vastly increased state capital spending that resulted in improved housing, educational, and health-care facilities (and associated employment in constructing and operating these facilities).
- Expansion of telephone and television service to rural villages.
- Improved transportation.
- Changing technology, i.e., increased use in subsistence and general transportation of outboard motors, snow machines, and three-wheelers.
- General expansion of the state's economy which increased employment opportunities for Alaska Natives, especially in urban areas.

While it is difficult to determine the specific effects of any one of these developments on Alaska Natives, we can be certain they have cumulatively affected the Natives' standard of living. It is this impact and the resulting change which provide the focus of this review: how much and in what areas has the well-being of Alaska's Natives changed in the last decade?

In order to answer this question, we first document changes in the size and composition of the Native population and show how changes in the birth and death rates have affected its growth rate. We review levels of educational attainment and study Native participation in the work force and in subsistence activities. Finally, we calculate changes in the levels and distribution of income and describe changes in Native housing. Throughout the discussion, we present comparable data for the Alaska non-Native population.

[1]The act awarded village corporations only surface rights to the 22 million acres they selected. Regional corporations gained subsurface rights to the 22 million acres of village corporation lands plus surface and subsurface rights to an additional 16 million acres selected by regional corporations. (From: Robert D. Arnold et al., *Alaska Native Land Claims*, Alaska Native Foundation, 1976, pp. 253-260.)

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FEATURE

John A. Kruse Changes in the Well-being of Alaska Natives Since ANCSA

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Our measures of the status of Alaska Natives are mostly derived from 1970 and 1980 data collected by the U.S. Bureau of the Census. Although we believe that both the 1970 and 1980 federal censuses undercounted Native people,[2] we are confident that the characteristics of the population described are reliable and fairly represent the condition of Alaska Natives at the beginning of the 1970s and the 1980s.

We are also confident that the patterns of change observed between 1970 and 1980 have not significantly changed since 1980. We believe the Native population has continued to increase at approximately the same rate, and trends in income, education, and employment have persisted to the present. We should note, however, that social and economic conditions in Alaska may be quite different by the end of the decade as state revenues from oil production decline. It would therefore be a mistake to assume that the trends observed for the last 13 years will remain constant between now and 1991, the year in which Alaska Natives can sell their shares in the Native corporations established by ANCSA.

PATTERNS OF CHANGE

Population

Despite substantial growth of the Alaska Native population, Natives constitute a smaller minority group in 1980 than in 1970.

According to the 1980 census, 64,357 persons living in Alaska identified themselves as American Indians, Eskimos, or Aleuts. We estimate that another 22,500 Alaska Natives were counted by the Census Bureau as living elsewhere in the United States or

[2]In 1970 the Census Bureau identified 50,605 Alaska Natives residing in Alaska. However, the ANCSA enrollment reported 59,771 Alaska Natives residing in the state as of December 14, 1971. Only about 1,400 of the 9,166 difference between the 1970 census figures and the December 1971 ANCSA figures can be explained by population growth. The balance, some 7,700 Alaska Natives, represents a potential undercounting by the census bureau or different definitions of who is an Alaska Native. The census furnishes no definition of race or ethnicity, but lets respondents decide for themselves. In contrast, the settlement act defines an Alaska Native as being at least one-quarter Alaska Aleut, Eskimo, Indian, or combination thereof.

For our purposes, because the 1980 census was conducted in the same manner as the 1970 census, including self-definition of race by respondents, we have assumed that the two censuses are comparable and that any errors or omissions made in 1970 were also made in 1980. We have had numerous opportunities to test the reliability of the census data and with the sole exception of the absolute count, are confident that it fairly represents the social and economic conditions of Alaska Natives.

outside the country.[3] This represents an increase since 1970 of approximately 14,000 Alaska Natives who live in Alaska and an additional 4,500 who live elsewhere (Figure 1).

These population increases represent an average growth rate of the Alaska Native population of 2.4 percent per year since 1970, a rate twice that of the national population. Alaska's non-Native population, however, increased at an even faster rate, averaging 3 percent per year. This largely resulted from a substantial migration to Alaska brought about by the discovery of oil at Prudhoe Bay and the construction of the trans-Alaska oil pipeline. As a result of these population changes, the Alaska Native population constituted about 16 percent of the state's population in 1980, down from 16.7 percent in 1970. Thus, despite a substantial increase in their population, Alaska Natives were a smaller minority group in 1980 than in 1970.

[3]The Census Bureau publishes the number of Eskimos and Aleuts present in the United States but does not differentiate between the various American Indian groups. We estimated the number of Athabascans, Tlingits, and Haidas living outside Alaska on the basis of (1) the number of American Indians enumerated in Alaska in 1980 and (2) an estimate of the proportion of Alaska Native Indians who lived outside of Alaska in 1980. This estimate is, in turn, based on the observed proportion of Alaskan Indians who lived outside Alaska in 1974 according to enrollment statistics, adjusted to fit the observed change in the proportion of Eskimos and Aleuts living outside of Alaska between 1974 and 1980.

Birth Rates

The Alaska Native birth rate is likely to remain high. Approximately 39,000 Alaska Natives in Alaska will be ineligible to enroll for ANCSA benefits by 1991.

The birth rate for Alaska Natives was actually slightly higher in 1980 than in 1970, despite a decline in the average number of children born to Alaska Native women. While the Alaska Native birth rate was over twice the national average and 53 percent higher than that of the non-Native Alaska population in 1980, Native women's fertility rates significantly declined. The average number of children born to Alaska Native women between the ages of 25 and 34 dropped from 3.8 in 1970 to 2.5 in 1980. Nonetheless, a large increase in the number of Native women in their child-bearing years more than offset the decline in the fertility rate. By 1980, Alaska Native women 20 to 34 years old comprised 14 percent of the population compared to just 10 percent 10 years earlier.

Figure 1. Alaska Native and Non-Native Population Growth: 1910 to 1980

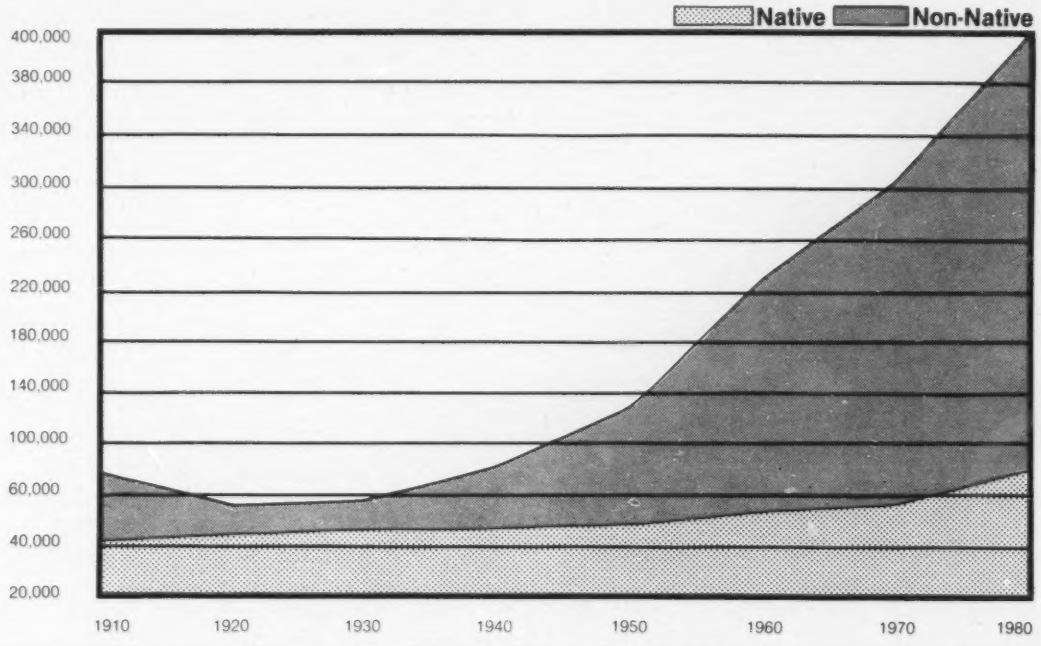
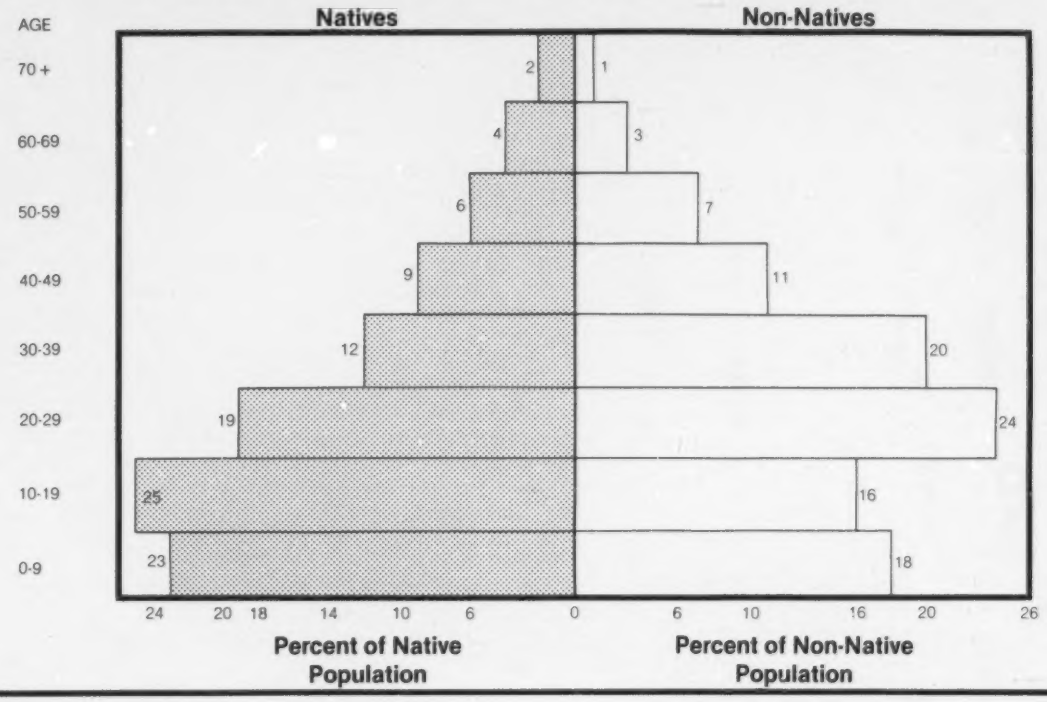


Figure 2. Age Profiles of the Alaska Native and Non-Native Population



The relatively high birth rate and the increasing proportion of women in their child-bearing years have both affected the shape of the age profile for Alaska Natives (Figure 2). Children constitute a much larger proportion of the Alaska Native population than they do of the Alaska non-Native population. Twenty-three percent of the Native population was under age 10 in 1980. This percentage is particularly significant because Natives under 10 are not eligible to enroll as Alaska Natives under the terms of ANCSA. In 1980, the Census Bureau counted 14,151 Alaska Natives under the age of 10.

The Alaska Native birth rate is likely to remain high for some years to come because of the large number of female Native children under child-bearing age. Assuming a birth rate of 30 per 1,000 Alaska Natives, approximately 39,000 Alaska Natives in Alaska will be ineligible to enroll for ANCSA benefits by 1991.

Death Rates

Unfortunately, declines in the infant mortality rate and in the rate of deaths due to preventable diseases were offset by increases in the rate of deaths due to accidents and suicides.

The growth of the Alaska Native population has also been affected by changes in the pattern and extent of Native deaths (Figure 3). While over the last 10 years the overall death rate among Alaska Natives has remained virtually constant at a level below that of the national population,[4] the causes of death have changed significantly. Between 1970 and 1980, the infant mortality rate among Alaska Natives dropped 29 percent (Figure 3). Despite this significant decline, the Native infant mortality rate is still double that of non-Natives. Alaska Natives also enjoyed a decline in the rate of deaths due to tuberculosis, influenza, and other respiratory diseases. Unfortunately, these declines were offset by increases in the rate of deaths due to accidents and suicides (Figure 4).

While suicide accounts for less than 5 percent of all deaths, it is alarming for three reasons. First, the suicide rate is generally regarded as a sensitive indicator of social anomie and extreme stress. Second, comparing two periods, 1968 through 1972 and 1975 through 1978, the average annual suicide rate increased by 58 percent. Third, the Native suicide rate is over twice that of non-Natives.

[4] Because the Native population is younger.

The accidental death rate, which was already three and one-half times the national average in 1970, also grew by 17 percent over the last decade. Many suicides and accidental deaths have been associated with alcohol abuse. Unfortunately, no reliable data is available on either the degree of association between violent deaths and alcohol nor on the extent of alcoholism and alcohol abuse among either the Native or non-Native population.

Geographic Distribution

Although the Alaska Native population is becoming increasingly urban, most Alaska Natives will continue to live in small communities.

The proportion of Alaska Natives living in Southcentral and Fairbanks gradually increased in the 1970s (Figure 5). This increase, however, was not accompanied by a decline in the absolute number of Natives living in the outlying areas of the state. Even in proportional terms, the shift of the Native population to the Southcentral and Fairbanks region has been small. Over 60 percent of the Native population still lives in rural Alaska. By contrast, the growth rate of the Alaska Native population in the Southcentral-Fairbanks region has been more than twice that of the Alaska Native population as a whole. If the regional growth rates observed for the Alaska Native population in the last decade were to continue through the 1980s, 29 percent of the Alaska Native population would live in the Southcentral-Fairbanks region by 1991, but over half the Native population would still live in rural Alaska.

The percentage of Alaska Natives living in places defined as urban by the U.S. Bureau of the Census increased from 17 to 31 percent between 1970 and 1980. The change has partly resulted from a reclassification of places from rural to urban due to their population growth. A more accurate picture can be obtained by comparing the distribution of the Alaska Native population by size of place in 1970 and 1980. In both years, more than half of the Native population lived in communities of under 1,000 persons (Table 1).[5] Over the decade, the proportion of the Native population living in Alaska's cities and surrounding residential areas increased from 27 to 32 percent. However, the increased proportion of urban Natives has not primarily resulted from a migration

[5]We used the size of each community in 1970 to make this comparison to avoid showing an apparent shift in population toward larger places simply because the places grew and were reclassified into a larger size category.

Figure 3. Crude Death Rate and Infant Mortality Rate
(per 1,000 population)

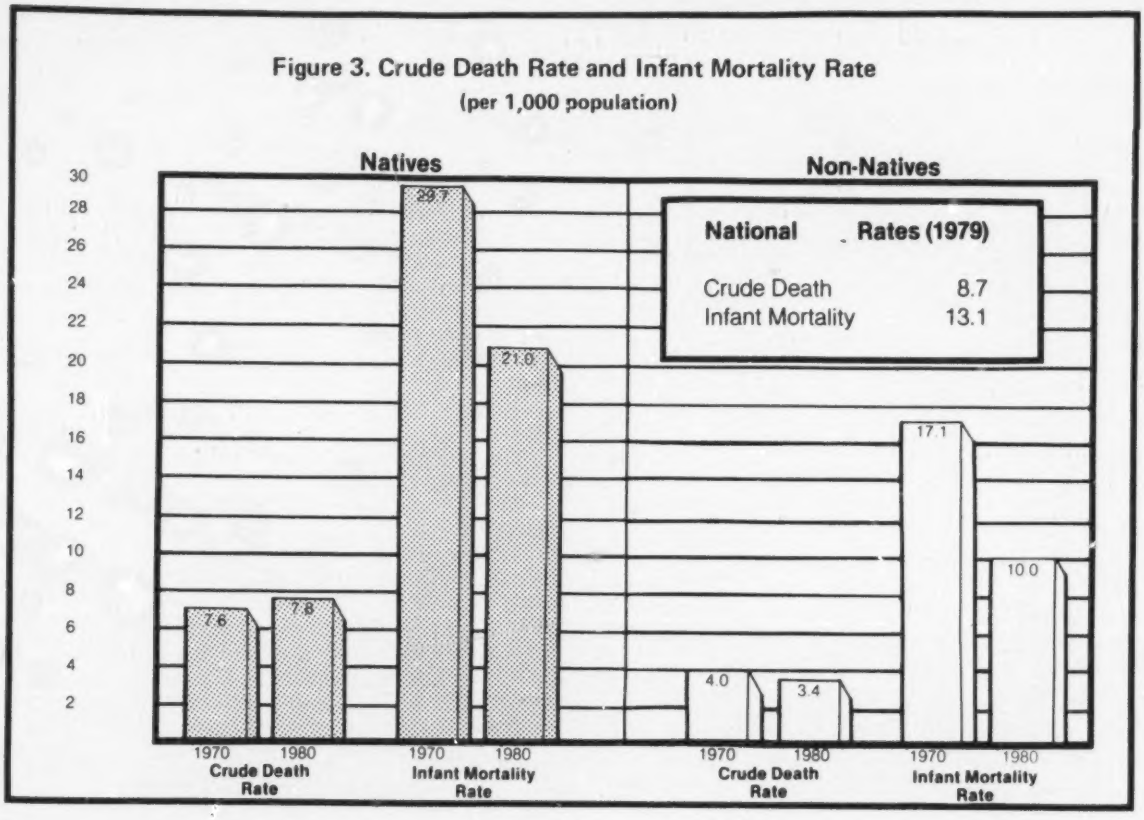
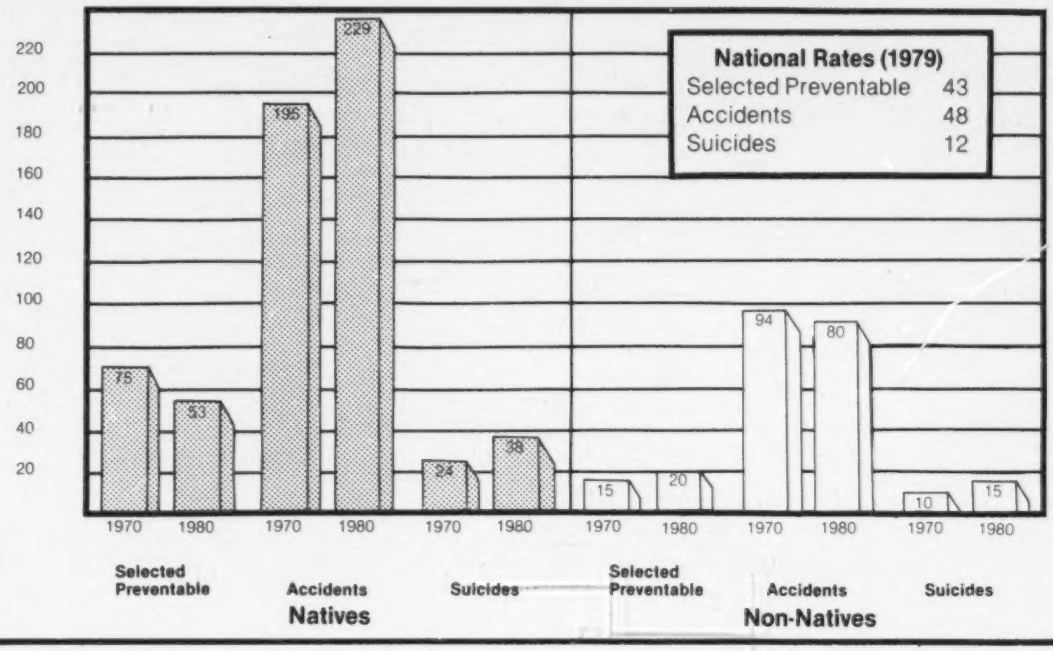


Figure 4. Death Rates Among the Alaska Native and Non-Native Population
(per 100,000 population)



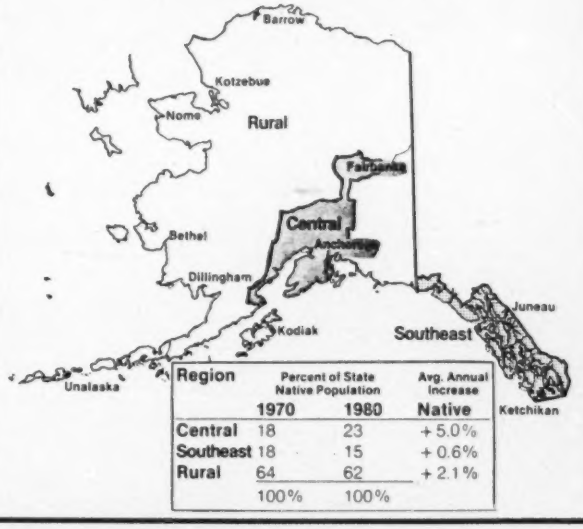
from Alaska's rural villages. Thus, although urban Native populations are the fastest growing, village populations have been growing almost as fast as the Native population as a whole (2.2 v. 2.4 percent). The growth in the urban Native population has come mostly at the expense of the Native population in such regional centers as Nome, Bethel, Barrow, Kotzebue, and Dillingham. Despite this migration, however, even the regional centers grew. The important point is that, according to all indications, most Alaska Natives will continue to live in small communities.

TABLE 1

Distribution of Native Population by Size of Place

Size of Place in 1970	1970 Population	1970 Percent	1980 Population	1980 Percent	Average Annual Percent Increase
5,000 or more	13,663	27%	20,594	32%	4.2%
1,000 to 4,999	10,121	20	10,297	16	0.2
under 1,000	26,821	53	33,466	52	2.2
		100%		100%	

Figure 5. Regional Distribution of Alaska Native Population



Region	Percent of State Native Population 1970	Percent of State Native Population 1980	Avg. Annual Increase Native
Central	18	23	+5.0%
Southeast	18	15	+0.6%
Rural	64	62	+2.1%
	100%	100%	

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In summary, at its current rate of population increase, the Alaska Native population will double every 26 years. Deaths due to preventable diseases and deaths among Native infants are declining, but accidental deaths and suicides are on the increase, signifying escalating levels of social and emotional stress. Although the Alaska Native population is becoming increasingly urban, the majority of Alaska Natives will continue to live in small communities in rural Alaska.

Education

While the educational attainment of young Natives 18-24 years old has improved significantly, one out of four dropped out of high school in 1980.

In 1970, 28 percent of Native high school-age children lived in communities without high schools. To attend high school, these students had to either enroll in boarding schools far away from their community or live with friends or relatives in other communities which had high schools. Often the change in living conditions between their small rural home communities and the larger, often urban, host communities was traumatic. The relocation of these young Native adolescents extracted an emotional toll and often alienated the child from his or her home community, preventing them from participating in many of the hunting, fishing, and festive activities that mark village life.

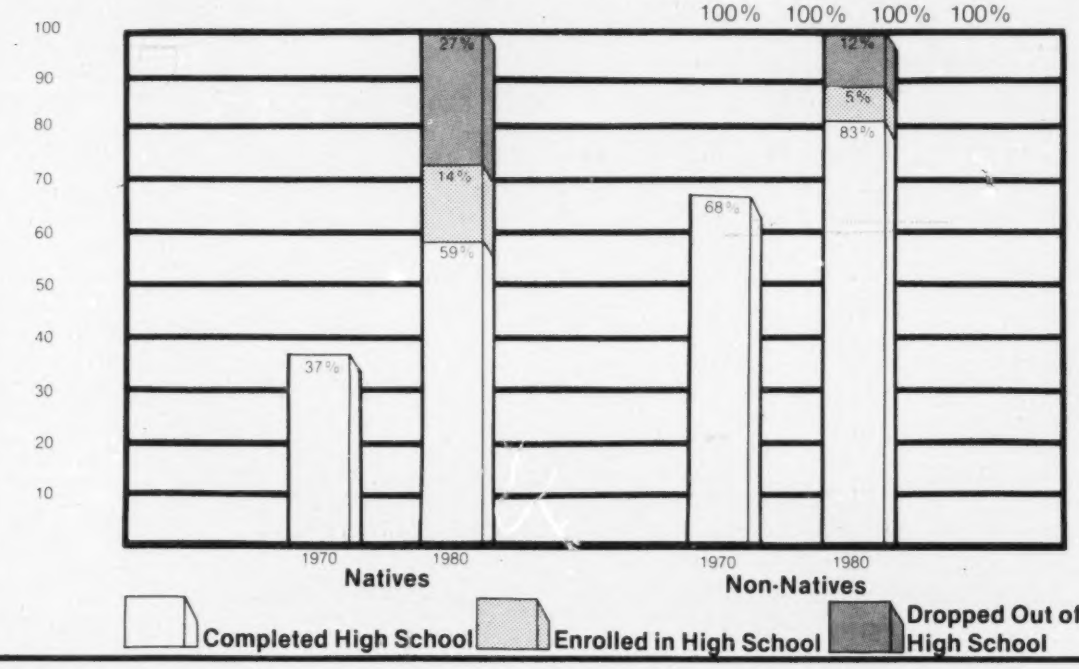
This educational arrangement for Native high school students dramatically changed as a result of a lawsuit filed on behalf of several students living in villages without high schools. The lawsuit ended in 1977, when the State of Alaska agreed to build high schools in small communities. By 1980, the state had built almost 100 new high schools throughout rural Alaska. The full impact of this dramatic change in Alaska's educational system has yet to be fully realized.

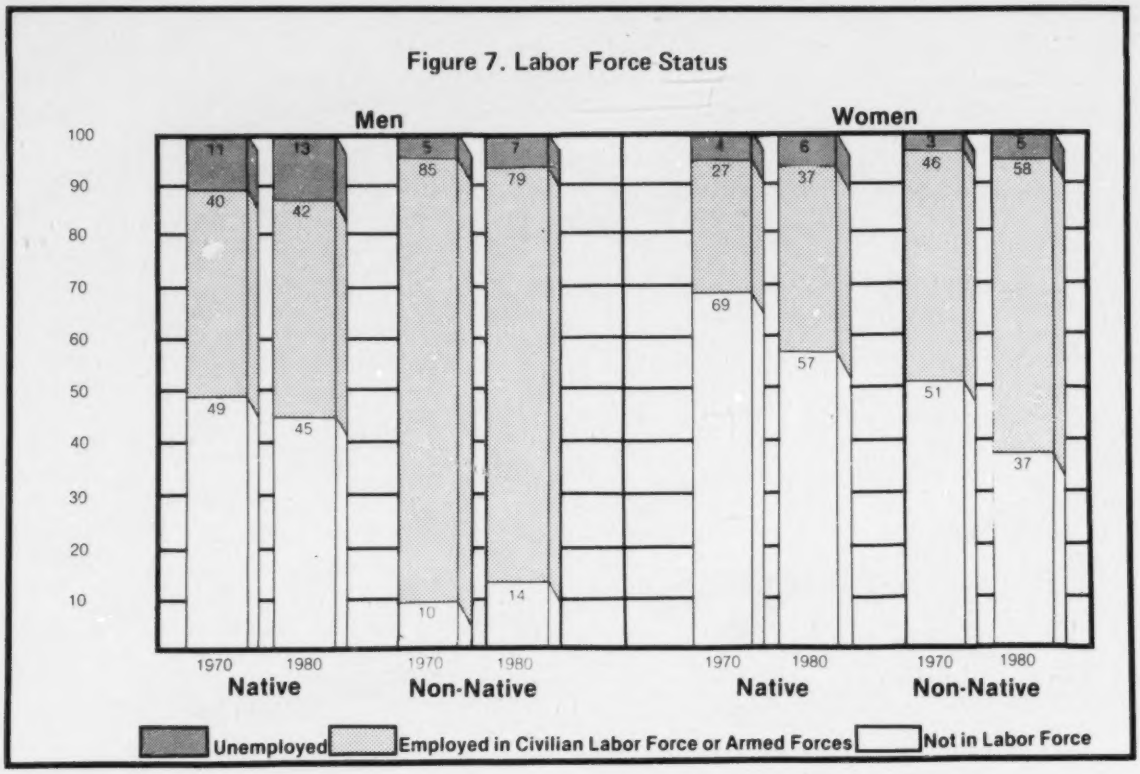
While the expansion of the number of village high schools has been the most obvious change affecting the educational status of Alaska Natives, other changes have also contributed. For example, the emergence of employment opportunities in

Figure 6. Educational Status of 18 to 24 Year Olds

(Percents)

Educational Attainment of Population 25 years or more	Natives		Non-Natives	
	1970	1980	1970	1980
less than high school	79%	54%	25%	12%
high school	13	32	42	40
more than high school	8	14	33	48
	100%	100%	100%	100%





Native corporations increased Native incentive to obtain further education. By 1980, these and other changes had cumulatively resulted in a substantial increase in the proportion of Alaska Natives who completed high school. The growth in educational attainment is best seen by comparing the proportion of 18-to-24-year-olds who completed high school in 1970 with those of 1980 (Figure 6). Alaska Natives in this age group completing high school increased from 37 percent in 1970 to 59 percent in 1980. (The comparable increase among non-Natives was from 68 to 83 percent.) At the same time, it is sobering to observe that 27 percent of this 18-24 age group had dropped out of school by 1980, which adds up to a Native dropout rate twice that of non-Natives. Thus, while the educational attainment of young Alaska Natives 18-24 years old has improved significantly, over one out of four still dropped out of high school in 1980.

Despite substantial gains for Alaska Natives in education, most Native adults still have less than a high school education. The Alaska non-Native population, in contrast, is better educated than the U.S. population as a whole; 88 percent of Alaska non-Natives 25 years old or older have completed high school compared with 67 percent of the national population in the same age group.

Employment

The employment profile of Native men has not changed significantly, but increasing numbers of Native women have entered the labor force until the proportion of Native women working now approximates that of Native men.

The lack of education among Alaska Natives places them at a competitive disadvantage in obtaining employment. Exacerbating this situation is the fact that most jobs are located in the cities, while most Natives live in rural villages. Finally, the rural Alaska economy is a mixture of wage work and subsistence activities. The demands of the subsistence portion of this economy periodically draws Natives out of the labor force. The 1980 census estimated that 13 percent of all Native men were unemployed, compared with 7 percent of all non-Native men (Figure 7). Native employment varied greatly in the state according to season and geographic location. For example, 32 percent of Native men in the labor force and residing in the Chugach Native region were unemployed in 1980, compared with 15 percent of Native men in the labor force and residing in the Cook Inlet Native region.

The decade of the 1970s brought massive changes to the Alaska economy, largely resulting from the discovery of oil at Prudhoe Bay. While the

number of jobs in Alaska grew between 1970 and 1980, the employment profile of both Native and non-Native men did not change significantly. On average, almost half of all Native men 16 years or older were outside the wage labor force at any given time. The Native male unemployment rate, as measured in the week prior to completion of an individual's census form, showed a negligible change between 1970 and 1980. The labor force behavior pattern of Native men was much the same in 1980 as it was a decade before. This did not hold true for Native women however. During the last decade, they entered the labor force in increasing numbers, until the proportion of Native women working now approximates that of Native men.

The ratio of public to private employment increased among the Alaska Native population during the 1970s, particularly in rural Alaska (Figure 8). By the 1980 census, state and local government employment among rural Alaska Natives accounted for 39 percent of all Native employment, compared with 22 percent a decade earlier. The proportion of Natives employed by the federal government, however, decreased in rural Alaska and remained essentially constant in urban Alaska. The distribution of public and private employment among non-Natives in Alaska changed only marginally over the last decade. In comparison with Alaska Natives, the proportion of non-Natives finding employment in the public sector has remained low (31 percent of non-Natives v. 52 percent of Natives in 1980).

Subsistence

Thirty-five percent of Alaska Natives report that half or more of their food comes from subsistence activities.

Although subsistence is difficult to measure, it would be grossly misleading to ignore this segment of the Alaskan economy. While no systematic measure has been taken of statewide subsistence production, we can develop a reasonably complete indication of its importance by combining the results of several regional studies. According to data covering 76 percent of the Native and 91 percent of the non-Native population, 35 percent of Alaska Natives report that half or more of their food comes from subsistence activities, compared with 12 percent for non-Natives (Figure 9). Thus, at least one-third and perhaps as much as one-half of all Alaska Natives may get as much as half or more of their food from subsistence activities.

Figure 8. Mix of Public and Private Employment

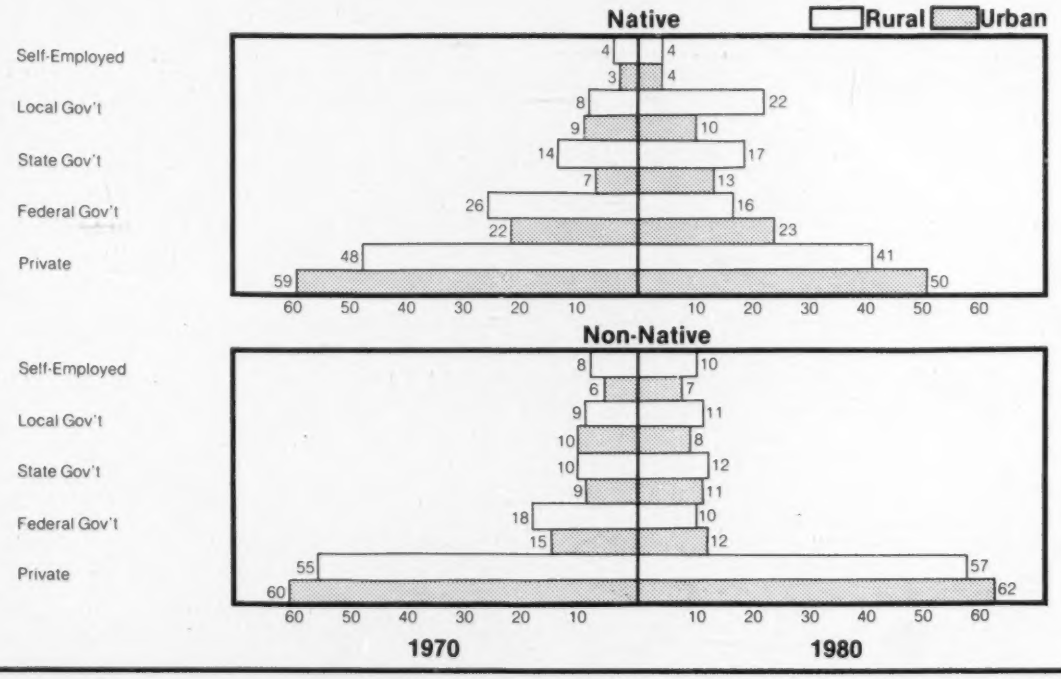
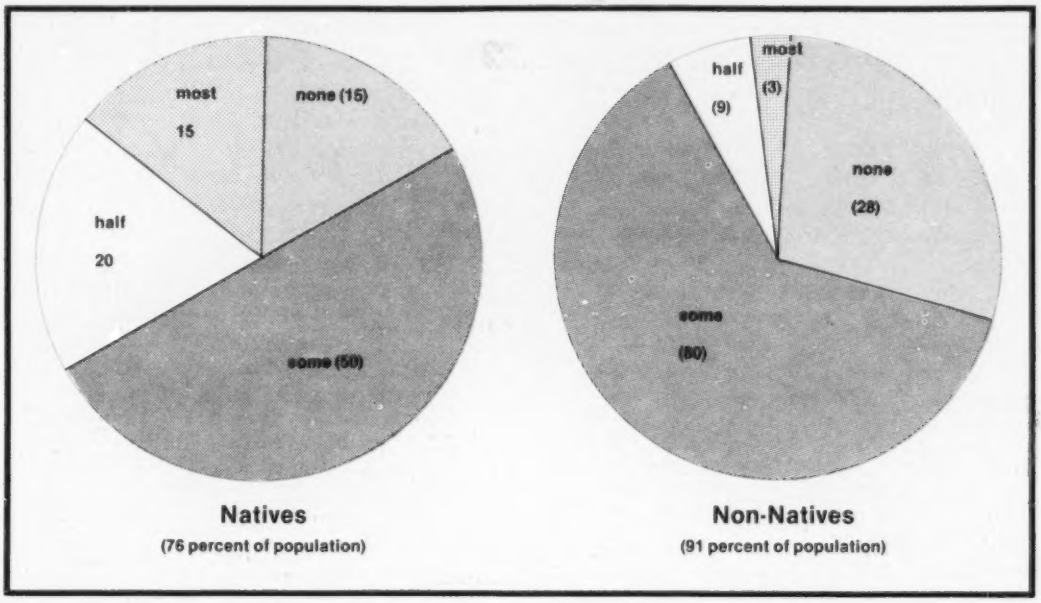


Figure 9. Proportion of Food from Subsistence



Income

While Native family incomes rose 39 percent from 1969 to 1979, they still remained far below those of non-Native families.

In addition to the products obtained through subsistence activities, the average Alaska Native family received $15,921 in income in 1979 (Figure 10). While this reflects a 39-percent increase since 1969, Native family incomes remain far below those of non-Native families. In 1980, the average non-Native family received $28,395. However, the difference between Native and non-Native family incomes is actually greater than $12,474, because most Native families live in rural communities where the cost of living is much higher than in the urban areas where most non-Natives reside.

Native family incomes are also low relative to the national average: 12 percent of the U.S. population lived below the poverty level in 1980 vs. 26 percent of the Alaska Native population. A decade earlier, 44 percent of the Alaska Native population lived below the national poverty level. Yet, because the cost of living in Alaska is much higher than for the nation as a whole, even these poverty statistics significantly understate the extent of poverty in Alaska.

In 1970, one out of every three Native families received less than $7,500 income (measured in 1979 dollars). Ten years later the ratio had changed to one in four. During the seventies, gains experienced by Native families at the bottom of the income scale have been matched by gains experienced by Native families at the top of the income scale. As a result, the distribution of incomes among Native families remained essentially the same in 1979 as in 1969. For example, 18 percent of Native households received 44 percent of all the income received by Native households in 1969, and 18 percent of Native households received 46 percent of all income received by Native households in 1979.

More than a quarter of all Alaska Natives were below the poverty level in 1980, and 23 percent of Native families received public assistance. However, 89 percent of all income received by Native households came from earnings, while public assistance accounted for only 4 percent. In this respect, Native households closely match non-Native households, which earned 92 percent of all income received.

Alaska Natives, like all other Alaskans, were eligible for noncash benefits associated with such federal and state programs as Medicaid, food stamps, and low-interest housing loans. In addition, individual Alaska Natives benefited from special programs aimed

at providing health services and housing. In FY 1980, the federal government spent about $120 million to operate Indian Health facilities and provide Indian health services in Alaska and $2.8 million to provide housing. [6]

[6]O. Scott Goldsmith and J. Phillip Rowe, 1982. "Federal Revenues and Spending in Alaska," *Alaska Review of Social and Economic Conditions*, Institute of Social and Economic Research, Anchorage, Vol. XIX, No. 2.

Housing

There has been a substantial reduction in the percentage of overcrowded households, as well as in the number of households lacking plumbing facilities.

One of the most striking changes in the status of Alaska Natives has been in the quality of housing available, particularly in rural Alaska. Whereas in 1970 one in five rural Native-occupied housing units had been built in the last 10 years, by 1980 the ratio had risen to one in two. The rural housing boom was

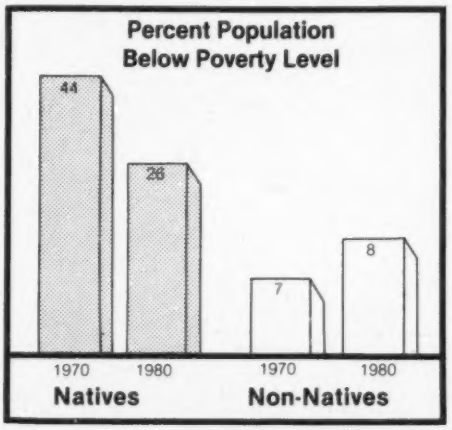
Figure 10. Income Comparisons

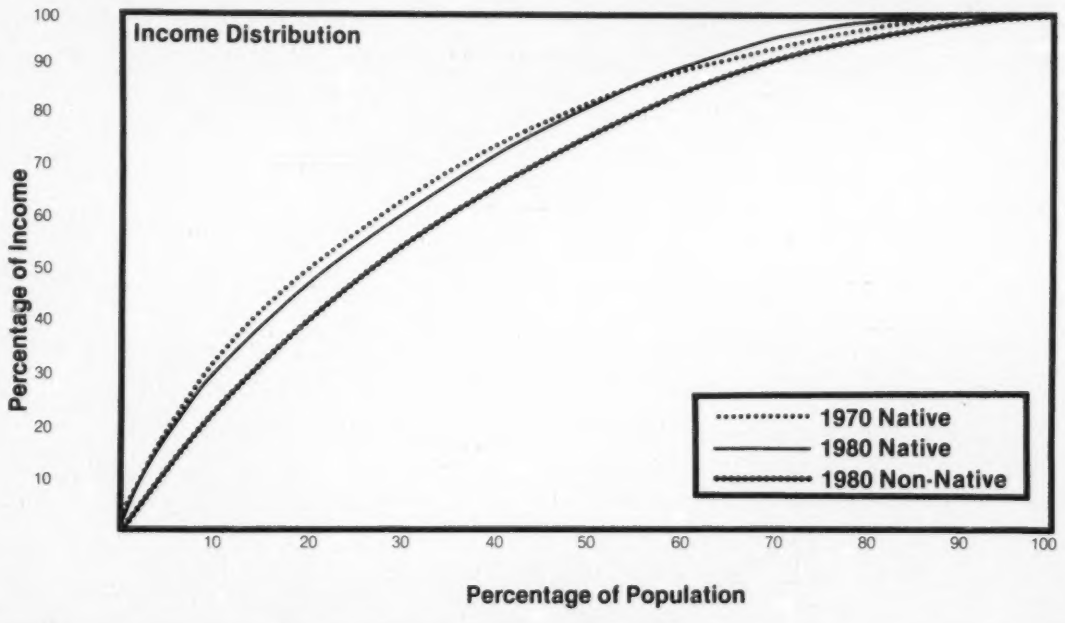
Median Family Incomes

	1969 Actual	1979$'s	1979
Native Families	$5,799	$11,424	$15,921
All Families	$12,443	$24,513	$28,395

Families Receiving Public Assistance

	1969	1979
Native	25%	23%
Non-Native	2%	4%





accompanied by a substantial reduction in the percentage of overcrowded households[7] as well as in the number of Native households lacking plumbing facilities.

In part because of the increase in housing stock and in part because of the decrease in family size, the average number of persons per Native household dropped from 5.2 in 1970 to 3.8 in 1980. Unfortunately, however, the proportion of Native women living in households with their own children but no husband increased from 8 percent to 22 percent over the last decade.

CONCLUSIONS

The Alaska Native population experienced substantial advances in physical health, education, income, and housing between 1970 and 1980. In addition, a large number of Alaska Native women entered the labor force and obtained employment. Despite these gains, however, the Alaska Native population remains at a disadvantage in all areas relative to the Alaskan non-Native population and the U.S. population as a whole. While Alaska Natives received significant direct and indirect transfers of goods and services from the federal and state governments, most of their support continues to come from their own wage employment and subsistence activities.

Despite passage of ANCSA in 1971, we believe that the subsequent major changes in education, income, and housing primarily resulted from growth in state and local public services. It is also difficult to believe that ANCSA had any effect on changes in population size or composition.

The underlying causes of emotional stress that have apparently led to increased alcohol abuse, accidents, and suicides are still not well understood. Some of the stress experienced by Alaska Natives may result from unmet hopes and expectations raised by ANCSA. However, the environment in which Alaska Natives find themselves is changing so rapidly that it is impossible to weigh the importance of the myriad of potential factors that may affect the emotional well-being of the Alaska Native population.

Finally, while we do not believe that most of the changes described in this report are attributable to ANCSA, we do not mean to imply that the act has been a waste of time or money. ANCSA gave birth to an unprecedented social and economic experiment whose effects on the general Native population, if not yet tangible, are still of potentially great importance. We cannot overstate the importance to Alaska Natives of:

1. Successful Native leaders and role models now in politics and business who have evolved both in the struggle for settlement of the Native land claims as well as in directing and running regional and village corporations. The value of such leaders to Alaska Natives is inestimable.
2. Employment in (and educational benefits deriving from employment in) village or regional corporations or their enterprises. Actual numbers may presently comprise a modest percentage of Natives, but the potential remains great.
3. Legal recognition of stewardship of lands traditionally used by Natives.

We believe it most appropriate at this stage to view Native corporations and those who run them as still being in an experimental and learning phase. Some have thrived, some have lost money, and some may even eventually go bankrupt. However, more are succeeding than not, and it is quite likely that sooner or later some of the corporations will realize large profits, both from investments and from exploitation of natural resources on the lands they control. And beyond such economic benefits, village and regional corporations may prove to be an effective vehicle for protecting lands for traditional Native uses.

[7] Defined as more than one occupant per room.

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